

106TH CONGRESS  
2D SESSION

# H. R. 5484

To amend the Internal Revenue Code of 1986 to impose a windfall profits tax on electricity sold in Orange and San Diego Counties in California during the summer of 2000.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 18, 2000

Mr. BILBRAY introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to impose a windfall profits tax on electricity sold in Orange and San Diego Counties in California during the summer of 2000.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Electricity Windfall  
5 Profit Tax Act of 2000”.

1 **SEC. 2. WINDFALL PROFITS TAX ON ELECTRICITY SOLD IN**  
 2 **CERTAIN CALIFORNIA COUNTIES DURING**  
 3 **THE SUMMER OF 2000.**

4 (a) IN GENERAL.—Subtitle E of the Internal Rev-  
 5 enue Code of 1986 (relating to alcohol, tobacco, and cer-  
 6 tain other excise taxes) is amended by adding at the end  
 7 thereof the following new chapter:

8 **“CHAPTER 55—WINDFALL PROFIT ON**  
 9 **CERTAIN ELECTRICITY**

“Sec. 5886. Imposition of tax.

10 **“SEC. 5886. IMPOSITION OF TAX.**

11 “(a) IN GENERAL.—In addition to any other tax im-  
 12 posed under this title, there is hereby imposed an excise  
 13 tax equal to the windfall profit on the retail sale of elec-  
 14 tricity for use in Orange and San Diego Counties in Cali-  
 15 fornia during June, July, or August of 2000.

16 “(b) WINDFALL PROFIT.—For purposes of this sec-  
 17 tion, the term ‘windfall profit’ means, with respect to any  
 18 sale, so much of the profit on such sale as exceeds a just  
 19 and reasonable profit.

20 “(c) LIABILITY FOR PAYMENT OF TAX.—The tax im-  
 21 posed by subsection (a) shall be paid by the seller and  
 22 shall be paid not later than November 1, 2000.”

1       (b) CLERICAL AMENDMENT.—The table of chapters  
2 for subtitle E of such Code is amended by adding at the  
3 end the following new item:

“Chapter 55. Windfall profit on certain electricity.”

4       (c) EFFECTIVE DATE.—The amendments made by  
5 this section shall take effect on June 1, 2000.

6       (d) APPROPRIATIONS OF REVENUES TO ORANGE AND  
7 SAN DIEGO COUNTIES.—There is hereby appropriated  
8 from the general fund of the Treasury an amount equal  
9 to the revenues received in the Treasury under chapter  
10 55 of the Internal Revenue Code of 1986 (as added by  
11 this Act). The amount appropriated under the preceding  
12 sentence shall be paid to Orange and San Diego Counties  
13 in California to provide relief to residents for the high  
14 costs of electricity incurred during the summer of 2000.

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